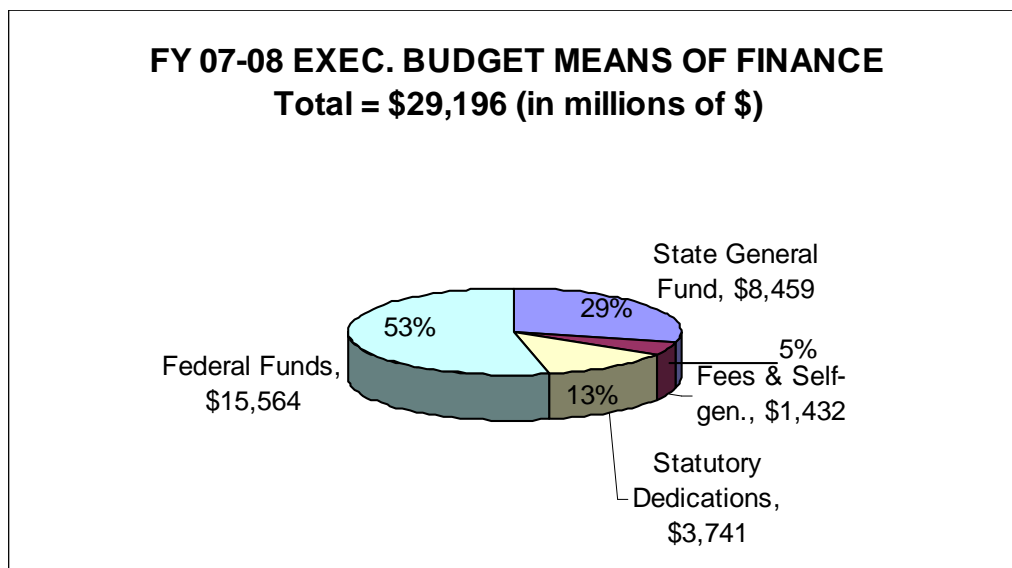


EXECUTIVE BUDGET BACKGROUND INFORMATION

The Executive Budget for FY 07-08 was submitted to the Joint Legislative Committee on the Budget on March 16, 2007. The Executive Budget was proposed using the Revenue Estimating Conference forecast of February 16, 2007, which recognized \$8.612 billion in state revenues for FY 07-08. The administration utilized \$8.459 billion of these revenues and reserved \$154 million for the governor's proposed tax cuts and the removal of a cap on tax dedications related to tourism. Subsequently, the REC met on May 22, 2007, and recognized additional revenue. Supplemental appropriations bills were amended to reflect this additional revenue. The FY 07-08 Executive Budget had a total Means of Finance of \$29.2 billion (exclusive of double-counts). This represented an increase of \$436 million compared to the FY 06-07 Existing Operating Budget (EOB as of 12/01/2006). The various Means of Finance in the Executive Budget are illustrated below.



The Enacted FY 07-08 State Budget totals \$29.8 billion (exclusive of double-counts), an increase of \$1.05 billion over the FY 06-07 EOB, as illustrated in the table below.

| Comparison of FY 06-07 EOB to FY 07-08 Enacted | | | |
|--|-------------------------|-------------------------|------------------------|
| | FY 06-07 | FY 07-08 | Change |
| State General Fund | \$7,320,753,940 | \$8,565,370,317 | \$1,244,616,377 |
| Fees and Self-generated Rev | \$1,402,201,629 | \$1,412,322,479 | \$10,120,850 |
| Statutory Dedications | \$4,433,740,043 | \$4,006,372,943 | (\$427,367,100) |
| IEB | \$1,220,662 | \$0 | (\$1,220,662) |
| Federal Funds | \$15,601,545,133 | \$15,821,096,081 | \$219,550,948 |
| TOTAL | \$28,759,461,407 | \$29,805,161,820 | \$1,045,700,413 |

The next section of this report begins a review of the Means of Finance changes for each department in House Bill 1 - Act 18 and the programs and activities that have been of interest to House members.